

EMPIRE
MORTGAGE

DIRECT BUYERS OF RESIDENTIAL & MIXED-USE MORTGAGES

PROVIDING LIQUIDITY SINCE 1993

NOTE BROKER PACKAGE

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INTRODUCTION

Thank you for taking the time to review our Note Broker Package. We are excited to share with you ways that Empire Mortgage can help you succeed in the fast-paced and highly competitive mortgage-buying industry.


Whether you are brokering private seller financed notes or bank originated mortgages, these materials have been designed to help you quickly gain the confidence and understanding that is required to become a successful and profitable note broker with Empire Mortgage.

At Empire Mortgage, we are committed to assisting new note brokers and we firmly believe that your success translates into our success. For the new note broker, we offer assistance with the following:

- ❑ Quoting
- ❑ Negotiating with note sellers
- ❑ Packaging your submissions
- ❑ Funding your deals

We look forward to developing a strong working relationship with you and wish you every success as a new Note Broker.

Sincerely,



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ABOUT EMPIRE MORTGAGE

Empire Mortgage is a privately owned company that specializes in acquiring residential, commercial and mixed-use mortgages. Our corporate office is located in Hunt Valley, Maryland, just outside of downtown Baltimore.

Empire Mortgage has considerable expertise in the valuation, acquisition and servicing of performing, sub-performing, non-performing and distressed residential and mixed-use mortgages. We consistently work with a wide variety of note sellers, ranging from small, private investors to large financial institutions. Since 1993, Empire Mortgage has closed and funded thousands of transactions.

In November of 2004, Empire Mortgage opened the Seller Financed Division. The division, managed by Charles Hodge, was established with a primary focus of acquiring privately held real estate notes.

WHY WORK WITH EMPIRE MORTGAGE

Empire Mortgage is a leader when it comes to purchasing mortgage notes, especially seller financed notes. We are committed to being highly responsive and working with you to establish a strong relationship as you grow your business. Here are just a few reasons why working with Empire will put you on the fast track to success.

- Quick & Competitive Pricing
 - Indicative pricing within 24 hours of quote request
 - Ability to close and fund in as few as 10 days
- Expertise & Flexibility
 - We can guide you through your first several transactions, offering you valuable training and education, such as:
 - Quoting (Full or Partial purchases, Commercial or Residential)
 - Negotiating with note sellers
 - Packaging a submission
 - Closing & Funding your transactions
 - We can save you time by helping you determine if a deal is marketable
- Superb Customer Service
 - We understand that your success translates into our success
 - Our staff has the experience and the commitment to quickly get your deals to the funding table
 - Our knowledgeable sales people will always promptly return your calls
 - We are committed to your goal of becoming a knowledgeable & profitable note broker

Call us today at (800) 785-6499, Ext 142 to learn more about working with Empire Mortgage.

HOW TO BECOME A NOTE BROKER WITH EMPIRE

Working with Empire Mortgage is as simple as picking up the telephone and calling us. We are here to assist you. Please call us directly at (800) 785-6499 to discuss your first transaction or to just get acquainted with our company, our people, and our process.

Once we've established contact, we will designate an Acquisitions representative to work directly with you. This Acquisitions representative will become your primary point of contact at Empire Mortgage. He or she will assist you by providing quotes, discussing transaction updates and due diligence findings, guiding you through any negotiations, explaining our underwriting process and getting your deal funded as quickly as possible.

When you are ready to submit a transaction for pricing, simply complete the one-page quote request form (or use your own if you have one) and fax it to us at (410) 510-1176.

Empire is committed to your success – we look forward to working with you!

TYPES OF NOTES EMPIRE MORTGAGE BUYS

Empire Mortgage purchases notes and contracts secured by real estate. We buy privately held seller-financed notes, as well as bank originated mortgage loans, both individually and in pools. The following is a list of product types that Empire Mortgage purchases.

TYPES OF PRODUCT PURCHASED

- ❑ Residential Mortgages (Primary, Investment & 2nd Homes) secured by:
 - Single Family Residences
 - Condominiums
 - Multi-Family properties (2-4 family, apartment complexes, etc...)
- ❑ Mixed-Use Mortgages
 - Commercial properties with a residential component
- ❑ Selected Commercial Mortgages
 - We do not buy Notes on properties that have environmental concerns, such as gas stations, dry cleaners, auto repair facilities, etc...
- ❑ Land Contracts
- ❑ Performing, Sub-Performing (blemished pay history) & Non-Performing
- ❑ Full and Partial Purchases
- ❑ Minimum Property Size \$85,000
- ❑ Minimum Investment \$50,000
- ❑ No Maximum Loan Size
- ❑ Seasoned Loans and New Loans
 - 1 Month Seasoning Required On All Product Types

Please contact your Empire Mortgage Acquisition representative with specific questions, as this list may change.

TRANSACTION PROCESS & TIMELINE

We are committed to providing you an indicative bid within 24 hours of receiving your completed quote request form. Once the price has been accepted, we will begin the due diligence process.

Empire's due diligence process includes the following:

- ❑ Review of Property Valuations
- ❑ Review of Collateral Documents (Note, Recorded Mortgage, Title Policy, Etc...)
- ❑ Review of Borrower's Credit Scores
- ❑ Review of Borrower's Payment History

Summary Process & Timeline

Week One

- 1) Submit Quote Request
- 2) Empire Provides Bid, Subject To Due Diligence
- 3) Seller Accepts Bid
- 4) Execute One-Page Bid Letter
- 5) Property Valuation Ordered and Paid For By Empire
- 6) File Underwritten / Contingency Memo Provided To Broker

Week Two

- 7) Review of Property Valuation
- 8) Collection of Contingency Memo Items

Week Three

- 9) Execute Purchase Contract
- 10) Finalize Collateral Review
- 11) Fund the Transaction

Submission Forms

Request For Quote

Broker Information

Broker Name: _____

Phone: _____

Date Submitted: _____

File Name: _____

Property/Payor Information

Property Type: _____

Prop. City & State: _____

Occupancy: _____

Credit Score: _____

Seller's Est. of Value: \$ _____

Lien Position: _____

Mortgage Note Information

Sales Date: _____

Current Balance: \$ _____

Sales Price: \$ _____

Interest Rate: _____

Down Payment: \$ _____

P&I Payment: \$ _____

Original Balance: \$ _____

Next Payment Due: _____

Original Term: _____

Maturity Date: _____

Payments Made: _____

Balloon? YES NO

Remaining Term: _____

Security Instrument: DT MTG CFD

Additional Comments:

Purchase Price Quote

Full Purchase: _____

Partial Purchase: _____

PLEASE FAX TO (410) 510-1176

Due Diligence Checklist

The following items are needed to submit the file for review:

- Recorded copy of the Security Instrument (Deed of Trust, Mortgage, Contract)
- Signed copy of the Note
- Recorded copies of all intervening Assignments/ Warranty Deeds and Note Endorsements
- Credit Report on Borrowers
- Pay History
- Title (If the security instrument is a Deed of Trust or Mortgage this could be in the form of either a Mortgagee'/ Lender's Policy from the original sale, or a new Commitment. If the Security Instrument is a Contract we will need a new Owner's Commitment)
- Seller's information (address, phone number, social security number, marital status)
- Borrower's information (mailing address, social security number, phone number)
- Property Address, legal description, and parcel number
- Appraisal

The following items may be required after receipt and review of the above:

- Closing Statement
- BPO
- Seller's documentation
 - a) Corporation: Articles of Incorporation, Corporate Resolution, Certificate of Good Standing
 - b) LLC: Articles of Organization, Resolution, Certificate of Good Standing
 - c) Trust: Trust Agreement
 - d) Estate: Death Certificate, Letters of Testamentary (proof of probate)
 - e) Power of Attorney
- Recorded copy of the Warranty Deed (Texas)
- Proof of insurance
- Estoppel with proof of mailing
- Payoff Quotes